

Hinckley Area Taxi Association

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Dear Mark Brymer

I am writing to you regarding consultations I've had with the trade for some time regarding putting an application forward for a tariff increase for the Hackney and private hire taxi trade, within the Hinckley and Bosworth area, who have not had a rise since 2021.

The reason for this is obviously the cost of living crisis. Offices are costing more to keep open and just keeping the lights on and paying for the essential running costs have gone through the roof, meaning that some companies are choosing to work from home in non-peak times and opening booking offices in peak times. Businesses were never offered the option of assistance from the government to pay energy companies during this crisis, meaning they have to foot the full cost without any rebate. Obviously this then has a snowball effect on all other utilities like internet, business rates, water rates, and telephone bills. Obviously other costs have risen also, like staff wages, advertising and promotion of their business.

The obvious other costs are still there and they are also rising, like fuel, car parts and maintenance, the cost of replacing vehicles and insurance.

Along with base running costs the staff and owner drivers still have their bills to pay. People still have to put food on the table, pay their bills and pay their running costs for their own vehicles.

The trade have been discussing this for some time and have not taken this decision lightly. The majority of the trade obviously don't want to make it difficult for our customers. If we are struggling so are they, so the last thing we

want to do is reduce our revenue by people not using our services anymore and making it more difficult for us . The decision to apply for a tariff increase has been a requirement for different reasons.

The reasons that have made this inevitable are as follows;

- Based on the league tables for the UK, comparing 362 councils, Hinckley and Bosworth are Borough is positioned at 260. Although I do have to add that positions 1 and 5 are airport listings of Heathrow and Luton that are not actually councils. However in recent occasions, we have found it difficult to use just the league table as a comparison due to the fact some of these prices are city based, like London for example with places like Epsom and Ewell at £10.60 and inner London TFL also running at £10.60 for a two mile journey, which are well above what we would expect for our area. The trade tries to look at the surrounding areas and try to work from this. Looking at current listings, based on a 2 mile journey Charnwood are charging £6.75, Blaby £6.70 and Nuneaton & Bedworth are charging £7.25, Tamworth £7.14 Hinckley and Bosworth currently at £6.40. All our neighbouring councils last had a tariff increase in 2022, apart from Nuneaton who applied for a tariff increase in 2023. Nuneaton usually apply for a raise in tariff annually and because the others haven't had a rise for two years, it's fairly likely that the rates around our neighbouring councils may rise in due course, leaving Hinckley and Bosworth area well behind in terms of the average cost per 2 mile journey.

The national average for a 2 mile journey in the UK stands at £7.24.

- Additionally I thought I wouldn't have to mention this again, but also the economy, especially the night time economy has and still is struggling after the pandemic. This is purely because it didn't have time to recover from the pandemic, before it too was hit with high business running costs.
- The cost of living crisis has had an impact on all of us, right down from business providers, small and large businesses and the consumer. Running costs and wage increases have been passed on all along the

chain and have impacted the cost of everything in every aspect of life. Although we try not to pass this onto the customer, eventually we are left with no choice.

- We have also noticed a sharp rise in public liability insurance, fuel costs and costings for parts and tyres, which have risen considerably due to industry passing their costs onto the consumer ,which in this case is us the trade .
- Recently UBER has flooded our town showing a strong presence in our area. They are supposed to operate on a private hire basis via the Uber app. Often this has not been the case and, quite regularly they have been witnessed picking up passengers up off the street without prior booking. If a private hire vehicle licensed in our area did this they would be breaking their conditions of licence. Because there is not as strict legislation governing Uber and no one is there to ensure that the legislation is followed to the letter, they seem to fall through the net, which doesn't bode well the trade and makes the competition opportunities somewhat restricted for the licensed trade. I have been assured by Mr Brymer that local authorities are tightening up on Uber now ,which is good news ,but I wonder how its took the U.K 12 years to do so . I would have thought with them covering over 40 towns across the country, with over 60,000 drivers that would have been a priority and a necessity to ensure the safety of the public.

The trade are eager to move on and improve by trying to attract younger people into the workforce to provide the professional service we have always tried to provide to the people of Hinckley and Bosworth area .To enable us to do this ,we need to get revenue flowing into the industry so that we have incentives to offer new people wishing to work within the profession ,like up to date vehicles and booking systems that make operations more reliable and customer friendly, we would also like to rise up from depths of the cost of living crisis by allowing firms that have traded in this area for years to continue . This will be impossible if it's not financially viable.

To help the licencing committee see the existing rates and the proposed rates I have attached the two tables to this application.

Table 1 existing rates

Tariff 1

For first 880 yards or part thereof	£2.80
For every 176 yards or part thereof	24p

Calculation in mileage

1 mile	£4.00
2 miles	£6.40
3 miles	£8.80
4 miles	£11.20
5 miles	£13.60

Tariff 2 Existing rate

For the first 880 yards or part thereof	£4.20
For every 176 yards or part thereof	36p

Calculation in miles

1 mile	£6.00
2 miles	£9.60
3 miles	£13.20
4 miles	£16.40
5 miles	£20.00

Table 2 Proposed rates

Proposal 1

Tariff 1

For the first 880 yards or part thereof	£3, 20
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For every 176 yards or part thereof 28p

Calculation in miles

1 mile £4.60

2 mile £7.40

3 mile £10.20

4 mile £13.00

5 mile £15.80

Tariff 2

For the first 880 yards or part thereof £4.80

For every 176 yards or part thereof 42p

Calculation in miles

1 mile £6.90

2 mile £11.10

3 mile £15.30

4 mile £19.50

5 mile £23.70

Proposal 2

Tariff 1

For the first 880 yards or part thereof £3.40

For every 176 yards or part thereof 30p

Calculation in miles

1 mile £4.90

2 mile £7.90

3 mile £10.90

4 mile £13.90

5 mile £16.90

Tariff 2

For the first 880 yards and part thereof £5.10

For every 176 yards and part thereof 45p

Calculation in miles

1 miles £7.35

2 miles £11.85

3 miles £16.35

4 miles £20.85

5 miles £25.35

If the council were to accept one of these proposals, the trade respectfully asks that the, soiling charges, extra charges and Tariff 3 is adjusted accordingly.

Respectfully I'd also like the committee to take into consideration when making a decision on this increase, that Uber charge a minimum of £5.00, for journeys 1 mile or less. This is why we think it's necessary to bring our switch on up higher. This will help cover for dead mileage when having to travel to customers that want to travel less than a mile Uber also operate system called surge pricing. Surge pricing is a system where when there is high demand they can raise their prices as high as they feel necessary. So one day a journey could cost you £16, but if you call the next day and they're busy they can charge you £35 for the same journey. That's another double standard that an hackney carriage vehicle can NOT do even if the job is pre booked, the driver is not allowed to charge over the meter price, otherwise they face prosecution .Myself, I find it difficult to comprehend how if the job is pre booked and the customer agrees to the rate prior to booking, why a licensed taxi can't do the same as Uber, regardless of the fact its fitted with a meter. Technically its working in exactly the same manner as an Uber, with a pre booked pre agreed price as a private hire booking. What's the difference? I think the answer to that is not much apart from a meter being on board and a plate being the rear of the vehicle, that we are bound by conditions of licence to adhere to the legislation .This might be

why a lot of the drivers have gone to drive for Uber and that's a shame for the whole borough

We look forward to hearing your decision in due course

Kind Regards

Tina Duane